

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 8/22/2013

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoke letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke Regions Bank Letter of Credit No. 55106025 for Cedar Park at Bell Grove Phase 2 Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 8-13-13

RESOLUTION NO. 13-_____

WHEREAS, Regions Bank issued a certain letter of credit (No. 55106025), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Regions Bank Letter of Credit No. 55106025, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 22nd day of August, 2013.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 22nd day of August, 2013.

Mayor of the City of
Huntsville, Alabama

SW
eft

D/S 7-16-12 on CCA OK
7/17/12 CEB 7/17/12

REGIONS

1900 5TH AVENUE NORTH, 22ND FLR, BIRMINGHAM, ALABAMA 35203
S.W.I.F.T. UPNEBUS44MIA TELEX 6737871 UPBMIA
PHONE (866)828-6928 FAX (205)264-6027

DATE: JUNE 12, 2012

L/C NUMBER: 55106025
AMENDMENT NUMBER: 01

BENEFICIARY:
CITY OF HUNTSVILLE
PLANNING DEPARTMENT
308 FOUNTAIN CIR
HUNTSVILLE, AL 35801

OPENER:
HUNTER COMMUNITIES INC
1806 UNIVERSITY DR
HUNTSVILLE, AL 35801

WE HAVE AMENDED THE CAPTIONED LETTER OF CREDIT AT THE REQUEST OF THE OPENER.

AMENDED TERMS AND CONDITIONS:

THIS AMENDMENT IS SUBJECT TO RECEIPT OF BENEFICIARY'S CONSENT. PLEASE CONFIRM YOUR CONSENT TO US BY COMPLETING THE ENCLOSED BENEFICIARY'S CONSENT TO THE AMENDMENT FORM BY MAIL.

EXPIRATION DATE AMENDED TO: SEPTEMBER 09, 2013.

AMENDED SUBJECT TO READ:

SUBJECT: ARTICLE 5 SIDEWALKS/LETTER OF CREDIT FOR CEDAR PARK AT BELL GROVE PHASE TWO, AS RESTRICTED BY LOTS 1-10, LOTS 13-20, LOTS 23-26, LOTS 50, 51, AND LOTS 59-75 OF BELL GROVE MANOR AS RECORDED AS DOC #20061221000862810, TRACT 2 OF A RESUBDIVISION OF TRACT A OF BELL GROVE MANOR AS RECORDED AS DOC #20070604000392850 AND OTHER LANDS AS RECORDED AS DOC #20090831000566580

DELETED:

IT IS A CONDITION OF THIS CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR AN ADDITIONAL ONE YEAR PERIOD FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE UNLESS AT LEAST SIXTY (60) DAYS PRIOR TO ANY SUCH EXPIRATION DATE WE SHALL NOTIFY YOU IN WRITING BY OVERNIGHT COURIER SERVICE, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD.

DS 6-21-12

M/16-55-10

OK KCA
7/17/12

OK
CEA
7/14/12

REGIONS®

Our reference Number: 55106025


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THIS AMENDMENT MUST BE ATTACHED TO AND BECOME AN INTEGRAL PART OF THE ORIGINAL CREDIT. ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

SINCERELY,


(AUTHORIZED SIGNATURE)

☒ ACCEPT THE TERMS AND CONDITIONS OF THE ABOVE-REFERENCED
AMENDMENT.
☐ DO NOT ACCEPT THE TERMS AND CONDITIONS OF THE ABOVE-REFERENCED
AMENDMENT AND ARE HEREBY RETURNING THE ORIGINAL AMENDMENT TO
YOU.


CITY OF HUNTSVILLE

REGIONS®

1900 5TH AVENUE NORTH, 22ND FLR, BIRMINGHAM, ALABAMA 35203
S.W.I.F.T. UPNBUS44MIA TELEX 6737871 UPBMIA
PHONE (866)828-6928 FAX (205)264-6027

IRREVOCABLE STANDBY LETTER OF CREDIT NO.: 55106025

ISSUE DATE: MAY 23, 2012

OPENER:
HUNTER COMMUNITIES INC
1806 UNIVERSITY DR
HUNTSVILLE, AL 35801

BENEFICIARY:
CITY OF HUNTSVILLE
PLANNING DEPARTMENT
308 FOUNTAIN CIR
HUNTSVILLE, AL 35801

SUBJECT: ARTICLE 5 SIDEWALK, LETTER OF CREDIT FOR
CEDAR PARK AT BELL GROVE PH 2

AMOUNT: \$74,340.00 USD

EXPIRATION DATE: MAY 23, 2013

GENTLEMEN:

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR,
EFFECTIVE MAY 23, 2012, FOR A SUM NOT TO EXCEED THE AGGREGATE OF
\$74,340.00 USD, AVAILABLE BY YOUR ONE OR MORE DRAFTS AT SIGHT ON US.

ALL DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT
PRIOR TO THE EXPIRATION THEREOF WILL BE DULY HONORED IF DRAWN AND
PRESENTED FOR PAYMENT TO REGIONS BANK, ATTN: RANDELL L. DICKSON, VICE
PRESIDENT, HOME BUILDER FINANCE, 200 CLINTON AVE W, 2ND FLOOR,
HUNTSVILLE, AL 35801.

IT IS A CONDITION OF THIS CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY
EXTENDED WITHOUT AMENDMENT FOR AN ADDITIONAL ONE YEAR PERIOD FROM THE
PRESENT OR ANY FUTURE EXPIRATION DATE UNLESS AT LEAST SIXTY (60) DAYS
PRIOR TO ANY SUCH EXPIRATION DATE WE SHALL NOTIFY YOU IN WRITING BY
OVERNIGHT COURIER SERVICE, THAT WE ELECT NOT TO EXTEND THIS LETTER OF
CREDIT FOR ANY SUCH ADDITIONAL PERIOD.

EACH DRAFT MUST BE ACCOMPANIED BY A STATEMENT SIGNED BY A REPRESENTATIVE
OF THE CITY OF HUNTSVILLE, ALABAMA, STATING THAT THE DRAW IS BEING MADE
PURSUANT TO ARTICLE 5 OF THE SUBDIVISION REGULATIONS.

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY
DRAWING.

WE HEREBY ENGAGE WITH YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH
THE TERMS OF THE CREDIT WILL BE DULY HONORED UPON PRESENTATION AND
DELIVERY OF THE DOCUMENTS AS SPECIFIED.

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DB 6-26-12

on CCA 7/17/12
w/ Amend. 1-2

O/K

CEH

7/17/12

Our reference Number: 55106025

REGIONS®

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THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ALABAMA, INCLUDING BUT NOT LIMITED TO, THE ALABAMA UNIFORM COMMERCIAL CODE, AS THE SAME MAY BE FROM TIME TO TIME AMENDED.

SINCERELY,


ANDREA SIMS
(AUTHORIZED SIGNATURE)